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BEFORE THE ARIZONA CORPORATION CC

COMMISSIONERS

Arizona Corporation Commission

DOCKETED

MAY 27 2011

GARY PIERCE - Chairman
BOB STUMP
SANDRA D. KENNEDY
PAUL NEWMAN
BRENDA BURNS

DOCKETED BY

NR

IN THE MATTER OF THE APPLICATION OF
NOVATEL LTD., INC. FOR APPROVAL TO
ELIMINATE BOND REQUIREMENTS.

DOCKET NO. T-20601A-10-0447

DECISION NO. 72389ORDER

Open Meeting
May 24 and 25, 2011
Phoenix, Arizona

BY THE COMMISSION:

Having considered the entire record herein and being fully advised in the premises, the Arizona Corporation Commission ("Commission") finds, concludes, and orders that:

FINDINGS OF FACT

1. Pursuant to Decision No. 71911 (September 28, 2010), NovaTel, Ltd., Inc. ("NovaTel" or "Company") was granted a Certificate of Convenience and Necessity ("Certificate") to provide resold interexchange telecommunications service in Arizona. Since the Company had indicated that it would collect deposits from its customers, as a condition for the issuance of the Company's Certificate, NovaTel was ordered to file a \$10,000 performance bond or irrevocable sight draft letter of credit ("ISDLC").

2. On October 18, 2010, the Company filed with the Commission an application to eliminate the \$10,000 performance bond or ISDLC ("Application").

3. In its Application the Company indicates that no advances, prepayments or deposits will be collected from its customers in Arizona.

4. On January 20, 2011, in response to a Staff Data Request, the Company indicated that it has not yet begun service to any customers in Arizona and NovaTel has not collected any advances, prepayments or deposits.

5. On February 17, 2011, the Commission's Utilities Division ("Staff") filed its Staff Report recommending approval of NovaTel's Application.

6. Staff recommends approval of NovaTel's request to remove the \$10,000 performance bond or ISDFLC requirement, and NovaTel is to file conforming tariff sheets as a compliance item.

7. Staff further recommends that if NovaTel wants to collect advances, deposits and/or prepayments from its resold long distance customers in the future, that NovaTel be required to file an application with the Commission for approval and that the application reference the Decision in this docket.

8. Staff's recommendations are reasonable and should be adopted.

CONCLUSIONS OF LAW

1. The Company is a public service corporation within the meaning of Article XV of the Arizona Constitution and A.R.S. §§ 40-281 and 40-282.

2. The Commission has jurisdiction over the Company and the subject matter of the Application.

3. The request of NovaTel to eliminate the performance bond or ISDLC requirement is in the public interest and should be granted. In the event the Company wishes to collect advances, deposits and/or prepayments in the future, the Company should comply with the conditions in Findings of Fact No. 7.

4. Pursuant to A.R.S. § 40-282, the Commission may issue decisions regarding Certificates of Convenience and Necessity for certain telecommunication services without a hearing.

5. Staff's recommendations are reasonable and should be adopted.

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ORDER

IT IS THEREFORE ORDERED that the Application of NovaTel Ltd., Inc. to eliminate its performance bond or ISDL requirement is hereby granted.

IT IS FURTHER ORDERED that in the event the Company has to collect advances, deposits and/or prepayments, the Company should comply with the conditions in Findings of Fact No. 7.

IT IS FURTHER ORDERED that this Decision shall become effective immediately.

BY ORDER OF THE ARIZONA CORPORATION COMMISSION.


CHAIRMAN

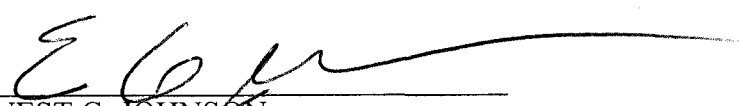

COMMISSIONER


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COMMISSIONER


COMMISSIONER

IN WITNESS WHEREOF, I, ERNEST G. JOHNSON, Executive Director of the Arizona Corporation Commission, have hereunto set my hand and caused the official seal of the Commission to be affixed at the Capitol, in the City of Phoenix, this 27th day of MAY, 2011.


ERNEST G. JOHNSON
EXECUTIVE DIRECTOR

DISSENT _____

DISSENT _____

MES:db

1 SERVICE LIST FOR: NOVATEL LTD., INC.

2 DOCKET NO.: T-20601A-10-0447

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